(b) if so, the comprehensive outlines of implementation of the scheme;

(c) the names of organizations through which this grant is provided instead of providing directly to the industrial units; and

(d) on what basis such organizations are selected?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI): (a) and (b) The Ministry of Food Processing Industries has been implementing a Plan scheme for Technology Upgradation/Modernization/Establishment of food processing units. Under the scheme, financial assistance is extended to food processing units in the form of grant-in-aid @ 25% of the cost of plant and machinery and technical civil works subject to maximum of Rs. 50 lakhs in general areas or 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas such as Jammu & Kashmir, Himachal Pradesh, Uttaranchal, Sikkim and North Eastern States, Andaman & Nicobar Islands, Lakshadweep and ITDP Areas. Under the Mini Mission IV of Technology Mission for Development of Horticulture, in difficult and high horticultural potential areas, assistance at still higher rates i.e. @ 50% upto Rs. 4 crore for promotion of new units and upto Rs. 1 crore for upgradation/modernization of units is available for processing of horticultural produce.

(c) and (d) The approved grant is released directly to the units through the Banks designated by these units themselves.

Machinery for food processing industries

2730. SHRIMATI JAYA BACHCHAN: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether there are any areas in the food processing for which machinery is not available in the country;

(b) whether there has been any import of machinery from abroad for food processing industries hitherto unavailable in the country in the last two years;

(c) whether any steps have been taken for improving the quality of food processing or covering new areas in the last two years; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI): (a) The equipments used for food processing including packaging are, in general, being manufactured indigenously both in organized as well as in Small Scale Sector. Specialized and sophisticated equipments including high capacity automatic lines such as slaughter line/abattoir equipments, meat tenderizing/processing machines, Pizza base making lines are not available indigenously.

(b) There have been import of machineries for grain milling including rice and flour milling, machineries for sugar manufacturing, for bakery, confectionery and chocolate, machineries for manufacturing of meat/poultry, and parts of other food processing machinery, etc. during the last two years namely, 2004-05 and 2005-06.

(c) and (d) During the last two years, Government have finalized Vision document 2015 for the Food Processing Industries, which envisages trebling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20%, value addition from 20% to 35% and share in global food trade from 1.5% to 3% by 2015. The Government has also enacted the Food Safety and Standards Act, 2006 which has been passed by the Parliament on 02.08.2006 and notified on 24th August, 2006. The objective of the Act is to bring about a single statute relating to food and establish Food Safety and Standards Authority. Further, Government has decided to set up National Institute of Food Technology, Entrepreneurship & Management (NIFTEM) at Kundli, Haryana as an International Centre of excellence which will work synergistically with the industry as similar institutions within India and outside to improve the quality of food processing in the country.

Government has been providing financial assistance and other incentives for technology upgradation/modernization/setting up of food processing units. Under the Plan scheme for Technology up gradation/establishment/ modernization of food processing industries financial assistance in the form of grant-in-aid is provided to all implementing agencies @ 25% of the cost of the plant and machinery and technical civil works subject to a maximum of Rs. 50 lakhs in general areas and 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas including North-Eastern States. In addition, assistance is also given for improvement of quality of processed food through Total Quality Management, promotion of quality assurance

and safety concept, adoption of Codex and other international standards, setting up of quality testing laboratories and Research & Development in the processed food sector under its 10th Plan Schemes.

Food Processing Sector in Tamil Nadu

2731. SHRI C. PERUMAL: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether Government propose to bring reforms in food processing sector especially in Tamil Nadu;

(b) if so, the details thereof, and

(c) the incentives proposed to be provided to the industry including credit package, exemption from taxes, etc?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI) (a) to (c) Introduction of reforms in food processing sector is an ongoing process. Several reforms have been introduced by the Government from time to time for promotion of food processing industries in the country. The Government has enacted the Food Safety and Standards Act, 2006 which has been passed by the Parliament and notified on 24th August, 2006. The objective of the Act is to bring about a single statute relating to food and establish Food Safety and Standards Authority. The Government of India have taken several measures towards quality improvement, extension of bank credit and tax exemptions to the food processing sector with a view to enhance competitiveness of the sector. These include financial assistance under various Plan Schemes in the form of grant-in-aid for Technology upgradation/Modernization/Establishment of Food Processing Units, Development of infrastructure, Support for R&D, and Human Resource Development, besides other promotional measures to encourage development of the Food Processing Industries. The Plan scheme assistance also covers financial assistance for Promotion of Quality Assurance, Total Quality Management, Strengthening of Codex Cell in various institutions and Setting up of Quality Control Laboratories.

In order to ensure easy availability of credit, Government has included food processing industries in the list of priority sector for bank lending. Fruit and vegetable processing units are already exempted from payment of excise duty. Further, in the year 2004-05, Government has allowed